File No. CIS-1016

REHABILITATION, HOUSING AND BACKWARD CLASSES DEPARTMENT.

Sachivalaya, Foreshore Road, Bombay-1, 4th June 1956.

No. CIS. 1056-G(i).—The following Order by the Government of India, Ministry of Commerce and Industry, is republished :—

S.R.O. 1109/ESS.COMM/Iron and Steel, dated New Delhi, the 8th May 1956.

Iron and Steel (Control) Order, 1956.

In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders

on the subject, the Central Government hereby makes the following Order :—

PART I—PRELIMINARY.

1. (1) This Order may be called the Iron and Steel (Control) Order, 1956.

(2) It extends to the whole of India, except the State of Jammu and Kashmir.

(3) It shall come into force with effect from the date on which this Order is notified in the *Gazette of India*.

2. *Definitions.*—In this Order, unless the context otherwise requires :—

(*a*) "controlled source" means :—

(i) a producer,

(ii) a Railway Administration,

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "Controlled Source".

(*b*) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time.

(*c*) "controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person exercising, upon authorisation by the Central Government, all or any of the powers of the Iron and Steel Controller.

(*d*) "factory" means a factory as defined in clause (*m*) of section 2 of the Factories Act, 1948 (LXIII of 1948), other than a factory managed by a producer or a Railway Administration.

(*e*) "local authority" shall have the meaning assigned to it by sub-section (28) of section 3 of the General Clauses Act, 1897 (X of 1897).

(*f*) "pressure pipes" includes all pipes and tubes of 1/8 in. nominal bore and above which will withstand or may be used for a working pressure of 25 lbs. per square inch and above.

(*g*) "producer" means a person carrying on the business of manufacturing iron or steel.

(*h*) "registered producer" means a producer who is registered as such by the Controller.

(*i*) "stockholder" means a person holding stocks of iron or steel for sale who is registered as a stockholder by the Controller.

(*j*) "scrap" means all iron or steel material which is commonly known as scrap and includes defective iron or steel material whether it is suitable only for re-rolling or re-melting or can be used for other purposes.

Explanation.—A certificate signed by the Controller or any officer authorised by him in this behalf shall be conclusive proof that the material in respect of which the certificate is issued is "Scrap" for the purpose of this Order.

(*k*) "scrap merchant" means a person other than a producer (including a Registered Producer), who carries on the business of acquiring, sorting and classifying scrap for disposal.

PART II—IRON AND STEEL—PRIME QUALITY.

3. (1) *Application of this Part.*—The provisions of this Part shall apply to all iron and steel of the categories specified in the Schedule to this Order;

Provided that the Provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said Schedule when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under clauses 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorised by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

4. *Acquisition.*—No person shall acquire or agree to acquire any iron or steel from a producer or stockholder except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller.

5. *Disposal.*—No person, who acquires iron or steel under Clause 4, or no producer shall dispose of or agree to dispose of or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general written order of the Controller.

6. *Carriers, warehousemen and servants.*—For the purposes of clauses 4 and 5 any acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such of any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. *Use of Iron and Steel to conform to conditions governing acquisition.*—A person acquiring iron or steel in accordance with the provisions of clause 4 shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition :

Provided that notwithstanding provisions of this Part or the conditions governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any person holding stocks of iron or steel either to release by way of loan or sell the whole or any part of the stock to such person or class of persons on such terms and conditions as may be specified in the order.

In the exercise of the powers conferred by the proviso, the Controller may have regard to the following matters, namely :

(*a*) the requirements of the persons holding such stocks ;

(*b*) the requirements of the persons needing such stocks;

(*c*) transport facilities available ; and

(*d*) any other factor including a strike or lock-out affecting production or fabrication.

8. *Surrender of revoked authorities.*—Where any quota certificate, permit or written order, referred to in clause 4 or 5 is revoked by the authority which issued it, the person to whom it was issued shall forthwith return it to the authority which issued it.

9. *Surrender of authorities at the time of acquisition.*—A person disposing of iron or steel in accordance with the provisions of clause 5 shall obtain from the person acquiring the steel the document which is the authority for the disposal and acquisition and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct

10. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of iron and steel, acquired by him otherwise than in accordance with the provisions of clause 4, to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

11. *Power to prohibit Removal.*—The Controller may order any producer (including a registered producer), any stockholder (including a controlled stockholder) or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller.

12. *Power to require keeping of accounts and to obtain information.*— (1) Every Producer and every stockholder and other person holding stocks of iron or steel shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder or person holding stock of iron or steel and every person employed in connection with the business of a producer or stockholder or person holding stocks of iron or steel, shall on being requested so to do, either by notice served on him or special or general direction issued by the Controller :—

(*a*) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction ;

(*b*) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

13. The Controller may, where he is satisfied that such action is necessary in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorisations to acquire duly issued under this part :

(*a*) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the Schedule to this Order, otherwise than in accordance with any general or special directions issued by the Controller ;

(*b*) require, with effect from such date and with reference to such periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the Schedule to this Order ;

(c) require, with effect from such date as the Controller may specify, any Producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with Programmes of production approved under sub-clause (*b*) of this clause or with special instructions issued by the Controller.

14. (1) The Controller may by order in writing direct any stockholder or other person holding stocks of iron or steel to maintain a list of the godowns and stock-yards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the official Gazette, direct that every producer, stockholder or other person holding stocks of iron or steel when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder, or other person holding stocks of iron and steel, shall, without sufficient cause, refuse to sell any iron or steel which he is authorised to sell under this Part.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purpose of this cause.

15. *Power to fix prices.*—(1) The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (*a*) by a producer, (*b*) by a stockholder including a controlled stockholder and (*c*) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any Equalisation Fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of allowances for contribution to any Equalisation Fund, within such period and in such manner as the Controller may direct in this behalf.

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate price has been so notified, fix such price as he considers appropriate :

Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub-clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

16. *Power to control the creation of new productive capacity.*—No persons shall, except under the authority of, and in accordance with the conditions specified in, general or special order of the Controller :—

(*a*) erect, re-erect, construct or extend any buildings or works intended for production of iron or steel ;

(*b*) instal any plant or equipment, including any machine tools, for the production of iron or steel.

17. *Power of Central Government to give directions.*—The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders referred to in clauses 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this part.

PART III—DEFECTIVES AND SCRAP.

18. *Acquisition of Scrap.*—No producer shall acquire or agree to acquire any scrap except under the authority of, and in accordance with the conditions contained or incorporated in a written Order of the Controller, and no person or authority other than a producer shall

acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. *Use of Scrap to conform to conditions governing acquisition.*—A person acquiring scrap in accordance with the provisions of clause 18 shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition.

20. *Disoposal of Scrap.*—No person or authority having the management of a controlled source shall sell or otherwise dispose of any scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

21. *Carriers, warehousesmen, and servants.*—For the purpose of clauses 18 and 20 any acquisition by or disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that scrap.

22. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of scrap, acquired by him otherwise than in accordance with the provisions of clause 18 to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

23. *Power to prohibit removal.*—The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

24. *Regulation of controlled sources.*—The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him :—

(*a*) to keep such books, accounts, and records relating to his business as the Controller may specify in the direction;

(*b*) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(*c*) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction;

(*d*) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. *Declarations, written orders and directions.*—(1) Declarations under clause 2(a) and directions under clause 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under clause 18 or clause 20 may be made by the Controller on application or of his own motion and shall be delivered to the person or authority concerned personnally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein.

4. When a written order is revoked by the Controller, the person or authority to whom it was addressed shall forthwith return it to the Controller.

26. (1) The Controller may by order in writing direct any controlled source of scrap merchant or other person holding stocks of scrap to maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stocks of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notification.

27. *Controller's power to fix prices.*—(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India prices for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers' and sellers' prices and may include allowances for contributions to any Equalisation fund established by the Controller for equalising freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and, may, if no appropriate price has been so notified, fix such price as he considers appropriate.

Provided that the Controller may direct that the maximum prices fixed under sub-clauses (1) or (2) shall not apply to any specified stocks of scrap held by Railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of the Controller should be broken up before the scrap is disposed of, the Controller may direct the person or authority having the

management of the controlled source concerned to break up the scrap to a suitable size, and may, if his direction is not complied with, reduce the price of the scrap so as to cover the cost to the purchaser of breaking it up.

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

PART IV—GENERAL.

28. *Powers of the Controller.*—The Controller may, with a view to securing compliance with this Order :—

(*a*) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person ;

(*b*) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person ;

(*c*) enter and search, or authorise any person to enter and search, any premises and seize any article in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

29. *Savings.*—Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed as to be the order or appointment made, the licence or permit granted, the quota certificate or direction issued under this Order and shall continue to be in force.

THE SCHEDULE.

(*See* Clause 3)

Iron and Steel to which Part II applies.

Pig Iron.

Ingots, Blooms, Billets, Tin Bars, Sheet Bars, and Slabs.

Steel castings.

Heavy structurals (including heavy sections of joists, channels and angles).

Light structurals (including light sections of joists, channels, angles, tees and light rails of 30 lbs. and under).

Tyres, Wheels and Axles.

Shell steel Ingots, Blooms, Billets and Bars.

Heavy rails (over 30 lbs), Fishplates, Dogspikes, Chair spikes, Screw ikes.

Tinplate, Terneplate.

Black sheets (Plain and corrugated).

Galvanised sheets (Plain and corrugated).

Plates (Shipbuilding).

Plates (Ordinary mild steel and tensile).

Plates (Bullet-Proof).

Bars (including flats, squares, rounds, hexagons and rods).

Bolts (including Fish Bolts), Nuts and Rivets.

Black or Galvanised Wire, whether plain or barbed.

Wire Nails.

Wire (Miscellaneous).

Hoops and Strips.

Spring Steel in any unfabricated or semi-fabricated form.

Tool Steel in any unfabricated or semi-fabricated form.

Wrought Iron pressure pipes and tubes, steel pressure pipes and tubes.

Wrought Iron fittings, malleable iron fittings and steel fittings, coated uncoated, excluding electrical conduit pipes.

Cast Iron Pressure Pipes and Specials.

Wire Ropes.

[No. SC(A)-4(253).]

(Signed) M. R. MENON,
Under Secretary.

By order and in the name of the Governor of Bombay,

N. M. JANI,
Assistant Secretary to Government.

REHABILITATION, HOUSING AND BACKWARD CLASSES DEPARTMENT.

Sachivalaya, Foreshore Road, Bombay-1, 4th June 1956.

No. CIS. 1056-G(i).—The following Order by the Government of India, Ministry of Commerce and Industry, is republished :—

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Iron and Steel (Control) Order, 1956.

In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders

on the subject, the Central Government hereby makes the following Order :—

PART I—PRELIMINARY.

1. (1) This Order may be called the Iron and Steel (Control) Order, 1956.

(2) It extends to the whole of India, except the State of Jammu and Kashmir.

(3) It shall come into force with effect from the date on which this Order is notified in the *Gazette of India*.

2. *Definitions.*—In this Order, unless the context otherwise requires :—

(a) "controlled source" means :—

(i) a producer,

(ii) a Railway Administration,

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "Controlled Source".

(b) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time.

(c) "controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person exercising, upon authorisation by the Central Government, all or any of the powers of the Iron and Steel Controller.

(d) "factory" means a factory as defined in clause (*m*) of section 2 of the Factories Act, 1948 (LXIII of 1948), other than a factory managed by a producer or a Railway Administration.

(e) "local authority" shall have the meaning assigned to it by sub-section (*28*) of section 3 of the General Clauses Act, 1897 (X of 1897).

(f) "pressure pipes" includes all pipes and tubes of 1/8 in. nominal bore and above which will withstand or may be used for a working pressure of 25 lbs. per square inch and above.

(g) "producer" means a person carrying on the business of manufacturing iron or steel.

(h) "registered producer" means a producer who is registered as such by the Controller.

(i) "stockholder" means a person holding stocks of iron or steel for sale who is registered as a stockholder by the Controller.

(*j*) "scrap" means all iron or steel material which is commonly known as scrap and includes defective iron or steel material whether it is suitable only for re-rolling or re-melting or can be used for other purposes.

Explanation.—A certificate signed by the Controller or any officer authorised by him in this behalf shall be conclusive proof that the material in respect of which the certificate is issued is "Scrap" for the purpose of this Order.

(*k*) "scrap merchant" means a person other than a producer (including a Registered Producer), who carries on the business of acquiring, sorting and classifying scrap for disposal.

PART II—IRON AND STEEL—PRIME QUALITY.

3. (1) *Application of this Part.*—The provisions of this Part shall apply to all iron and steel of the categories specified in the Schedule to this Order :

Provided that the Provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said Schedule when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under clauses 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorised by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

4. *Acquisition.*—No person shall acquire or agree to acquire any iron or steel from a producer or stockholder except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller.

5. *Disposal.*—No person, who acquires iron or steel under Clause 4, or no producer shall dispose of or agree to dispose of or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general written order of the Controller.

6. *Carriers, warehousemen and servants.*—For the purposes of clauses 4 and 5 any acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such of any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. *Use of Iron and Steel to conform to conditions governing acquisition.*—A person acquiring iron or steel in accordance with the provisions of clause 4 shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition :

Provided that notwithstanding provisions of this Part or the conditions governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any person holding stocks of iron or steel either to release by way of loan or sell the whole or any part of the stock to such person or class of persons on such terms and conditions as may be specified in the order.

In the exercise of the powers conferred by the proviso, the Controller may have regard to the following matters, namely :—

(*a*) the requirements of the persons holding such stocks ;

(*b*) the requirements of the persons needing such stocks ;

(*c*) transport facilities available ; and

(*d*) any other factor including a strike or lock-out affecting production or fabrication.

8. *Surrender of revoked authorities.*—Where any quota certificate, permit or written order, referred to in clause 4 or 5 is revoked by the authority which issued it, the person to whom it was issued shall forthwith return it to the authority which issued it.

9. *Surrender of authorities at the time of acquisition.*—A person disposing of iron or steel in accordance with the provisions of clause 5 shall obtain from the person acquiring the steel the document which is the authority for the disposal and acquisition and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct.

10. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of iron and steel, acquired by him otherwise than in accordance with the provisions of clause 4, to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

11. *Power to prohibit Removal.*—The Controller may order any producer (including a registered producer), any stockholder (including a controlled stockholder) or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller.

12. *Power to require keeping of accounts and to obtain information.*— (1) Every Producer and every stockholder and other person holding stocks of iron or steel shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder or person holding stock of iron or steel and every person employed in connection with the business of a producer or stockholder or person holding stocks of iron or steel, shall on being requested so to do, either by notice served on him or special or general direction issued by the Controller :—

(*a*) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction ;

(*b*) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

13. The Controller may, where he is satisfied that such action is necessary in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorisations to acquire duly issued under this part :

(*a*) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the Schedule to this Order, otherwise than in accordance with any general or special directions issued by the Controller ;

(*b*) require, with effect from such date and with reference to such periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the Schedule to this Order ;

(*c*) require, with effect from such date as the Controller may specify, any Producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with Programmes of production approved under sub-clause (*b*) of this clause or with special instructions issued by the Controller.

14. (1) The Controller may by order in writing direct any stockholder or other person holding stocks of iron or steel to maintain a list of the godowns and stock-yards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the official Gazette, direct that every producer, stockholder or other person holding stocks of iron or steel when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder, or other person holding stocks of iron and steel, shall, without sufficient cause, refuse to sell any iron or steel which he is authorised to sell under this Part.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purpose of this cause.

15. *Power to fix prices.*—(1) The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (*a*) by a producer, (*b*) by a stockholder including a controlled stockholder and (*c*) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any Equalisation Fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of allowances for contribution to any Equalisation Fund, within such period and in such manner as the Controller may direct in this behalf.

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate price has been so notified, fix such price as he considers appropriate :

Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub-clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

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17. *Power of Central Government to give directions.*—The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders, referred to in clauses 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this part.

PART III—DEFECTIVES AND SCRAP.

18. *Acquisition of Scrap.*—No producer shall acquire or agree to acquire any scrap except under the authority of and in accordance with the conditions contained or incorporated in a written Order of the Controller, and no person or authority other than a producer shall

acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. *Use of Scrap to conform to conditions governing acquisition.*—A person acquiring scrap in accordane with the provisions of clause 18 shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition.

20. *Disoposal of Scrap.*—No person or authority having the management of a controlled source shall sell or otherwise dispose of any scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

21. *Carriers, warehousesmen, and servants.*—For the purpose of clauses 18 and 20 any acquisition by or disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that scrap.

22. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of scrap, acquired by him otherwise than in accordance with the provisions of clause 18 to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

23. *Power to prohibit removal.*—The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

24. *Regulation of controlled sources.*—The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him :—

(*a*) to keep such books, accounts, and records relating to his business as the Controller may specify in the direction;

(*b*) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(*c*) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction;

(*d*) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. *Declarations, written orders and directions.*—(1) Declarations under clause 2(a) and directions under clause 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under clause 18 or clause 20 may be made by the Controller on application or of his own motion and shall be delivered to the person or authority concerned personnally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein.

4. When a written order is revoked by the Controller, the person or authority to whom it was addressed shall forthwith return it to the Controller.

26. (1) The Controller may by order in writing direct any controlled source or scrap merchant or other person holding stocks of scrap to maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stocks of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notification.

27. *Controller's power to fix prices.*—(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India prices for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers' and sellers' prices and may include allowances for contributions to any Equalisation fund established by the Controller for equalising freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and, may, if no appropriate price has been so notified, fix such price as he considers appropriate.

Provided that the Controller may direct that the maximum prices fixed under sub-clauses (1) or (2) shall not apply to any specified stocks of scrap held by Railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of the Controller should be broken up before the scrap is disposed of, the Controller may direct the person or authority having the

management of the controlled source concerned to break up the scrap to a suitable size, and may, if his direction is not complied with, reduce the price of the scrap so as to cover the cost to the purchaser of breaking it up.

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

PART IV—GENERAL.

28. *Powers of the Controller.*—The Controller may, with a view to securing compliance with this Order :—

(*a*) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person ;

(*b*) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person ;

(*c*) enter and search, or authorise any person to enter and search, any premises and seize any article in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

29. *Savings.*—Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed as to be the order or appointment made, the licence or permit granted, the quota certificate or direction issued under this Order and shall continue to be in force.

THE SCHEDULE.

(*See* Clause 3)

Iron and Steel to which Part II applies.

Pig Iron.

Ingots, Blooms, Billets, Tin Bars, Sheet Bars, and Slabs.

Steel castings.

Heavy structurals (including heavy sections of joists, channels and angles).

Light structurals (including light sections of joists, channels, angles, tees and light rails of 30 lbs. and under).

Tyres, Wheels and Axles.

Shell steel Ingots, Blooms, Billets and Bars.

Heavy rails (over 30 lbs), Fishplates, Dogspikes, Chair spikes, Screw ikes.

Tinplate, Terneplate.

Black sheets (Plain and corrugated).

Galvanised sheets (Plain and corrugated).

Plates (Shipbuilding).

Plates (Ordinary mild steel and tensile).

Plates (Bullet-Proof).

Bars (including flats, squares, rounds, hexagons and rods).

Bolts (including Fish Bolts), Nuts and Rivets.

Black or Galvanised Wire, whether plain or barbed.

Wire Nails.

Wire (Miscellaneous).

Hoops and Strips.

Spring Steel in any unfabricated or semi-fabricated form.

Tool Steel in any unfabricated or semi-fabricated form.

Wrought Iron pressure pipes and tubes, steel pressure pipes and tubes.

Wrought Iron fittings, malleable iron fittings and steel fittings, coate uncoated, excluding electrical conduit pipes.

Cast Iron Pressure Pipes and Specials.

Wire Ropes.

[No. SC(A)-4(253).

(Signed) M. R. MENON,
Under Secretary.

By order and in the name of the Governor of Bombay,

N. M. JANI,
Assistant Secretary to Government.

REHABILITATION, HOUSING AND BACKWARD CLASSES DEPARTMENT.

Sachivalaya, Foreshore Road, Bombay-1, 4th June 1956.

No. CIS. 1056-G(i).—The following Order by the Government of India, Ministry of Commerce and Industry, is republished :—

S.R.O. 1109/ESS.COMM/Iron and Steel, dated New Delhi, the 8th May 1956.

Iron and Steel (Control) Order, 1956.

In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders

on the subject, the Central Government hereby makes the following Order :-

PART I—PRELIMINARY.

1. (1) This Order may be called the Iron and Steel (Control) Order, 1956.

(2) It extends to the whole of India, except the State of Jammu and Kashmir.

(3) It shall come into force with effect from the date on which this Order is notified in the *Gazette of India*.

Definitions.—In this Order, unless the context otherwise requires :—

(*a*) "controlled source" means :—

(i) a producer,

(ii) a Railway Administration,

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "Controlled Source"

(*b*) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time.

(*c*) "controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person exercising, upon authorisation by the Central Government, all or any of the powers of the Iron and Steel Controller.

(*d*) "factory" means a factory as defined in clause (*m*) of section 2 of the Factories Act, 1948 (LXIII of 1948), other than a factory managed by a producer or a Railway Administration.

(*e*) "local authority" shall have the meaning assigned to it by sub-section (*28*) of section 3 of the General Clauses Act, 1897 (X of 1897).

(*f*) "pressure pipes" includes all pipes and tubes of 1/8 in. nominal bore and above which will withstand or may be used for a working pressure of 25 lbs. per square inch and above.

(*g*) "producer" means a person carrying on the business of manufacturing iron or steel.

(*h*) "registered producer" means a producer who is registered as such by the Controller.

(*i*) "stockholder" means a person holding stocks of iron or steel for sale who is registered as a stockholder by the Controller.

(*j*) "scrap" means all iron or steel material which is commonly known as scrap and includes defective iron or steel material whether it is suitable only for re-rolling or re-melting or can be used for other purposes.

Explanation.—A certificate signed by the Controller or any officer authorised by him in this behalf shall be conclusive proof that the material in respect of which the certificate is issued is "Scrap" for the purpose of this Order.

(*k*) "scrap merchant" means a person other than a producer (including a Registered Producer), who carries on the business of acquiring, sorting and classifying scrap for disposal.

PART II—IRON AND STEEL—PRIME QUALITY.

3. (1) *Application of this Part.*—The provisions of this Part shall apply to all iron and steel of the categories specified in the Schedule to this Order :

Provided that the Provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said Schedule when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under clauses 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorised by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

4. *Acquisition.*—No person shall acquire or agree to acquire any iron or steel from a producer or stockholder except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller.

5. *Disposal.*—No person, who acquires iron or steel under Clause 4, or no producer shall dispose of or agree to dispose of or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general written order of the Controller.

6. *Carriers, warehousemen and servants.*—For the purposes of clauses 4 and 5 any acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such of any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. *Use of Iron and Steel to conform to conditions governing acquisition.*—A person acquiring iron or steel in accordance with the provisions of clause 4 shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition

Provided that notwithstanding provisions of this Part or the conditions governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any person holding stocks of iron or steel either to release by way of loan or sell the whole or any part of the stock to such person or class of persons on such terms and conditions as may be specified in the order.

In the exercise of the powers conferred by the proviso, the Controller may have regard to the following matters, namely :

(*a*) the requirements of the persons holding such stocks ;

(*b*) the requirements of the persons needing such stocks ;

(*c*) transport facilities available ; and

(*d*) any other factor including a strike or lock-out affecting production or fabrication.

8. *Surrender of revoked authorities.*—Where any quota certificate permit or written order, referred to in clause 4 or 5 is revoked by the authority which issued it, the person to whom it was issued shall forthwith return it to the authority which issued it.

9. *Surrender of authorities at the time of acquisition.*—A person disposing of iron or steel in accordance with the provisions of clause 5 shall obtain from the person acquiring the steel the document which is the authority for the disposal and acquisition and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct.

10. *Power to direct sale.*—The Controller may, by a written order require any person holding stock of iron and steel, acquired by him otherwise than in accordance with the provisions of clause 4, to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

11. *Power to prohibit Removal.*—The Controller may order any producer (including a registered producer), any stockholder (including a controlled stockholder) or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller.

12. *Power to require keeping of accounts and to obtain information.*— (1) Every Producer and every stockholder and other person holding stocks of iron or steel shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder or person holding stock of iron or steel and every person employed in connection with the business of a producer or stockholder or person holding stocks of iron or steel, shall on being requested so to do, either by notice served on him or special or general direction issued by the Controller :—

(*a*) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction ;

(*b*) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

13. The Controller may, where he is satisfied that such action is necessary in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorisations to acquire duly issued under this part :

(*a*) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the Schedule to this Order, otherwise than in accordance with any general or special directions issued by the Controller ;

(*b*) require, with effect from such date and with reference to such periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the Schedule to this Order ;

(*c*) require, with effect from such date as the Controller may specify, any Producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with Programmes of production approved under sub-clause (*b*) of this clause or with special instructions issued by the Controller.

14. (1) The Controller may by order in writing direct any stockholder or other person holding stocks of iron or steel to maintain a list of the godowns and stock-yards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the official Gazette, direct that every producer, stockholder or other person holding stocks of iron or steel when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder, or other person holding stocks of iron and steel, shall, without sufficient cause, refuse to sell any iron or steel which he is authorised to sell under this Part.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purpose of this cause.

15. *Power to fix prices.*—(1) The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (*a*) by a producer, (*b*) by a stockholder including a controlled stockholder, and (*c*) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any Equalisation Fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of allowances for contribution to any Equalisation Fund, within such period and in such manner as the Controller may direct in this behalf.

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate price has been so notified, fix such price as he considers appropriate :

Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub-clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

16. *Power to control the creation of new productive capacity.*—No persons shall, except under the authority of, and in accordance with the conditions specified in, general or special order of the Controller :—

(*a*) erect, re-erect, construct or extend any buildings or works intended for production of iron or steel

(*b*) instal any plant or equipment, including any machine tools for the production of iron or steel.

17. *Power of Central Government to give directions.*—The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders, referred to in clauses 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this part.

PART III—DEFECTIVES AND SCRAP

18. *Acquisition of Scrap.*—No producer shall acquire or agree to acquire any scrap except under the authority of and in accordance with the conditions contained or incorporated in a written Order of the Controller, and no person or authority other than a producer shall

acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. *Use of Scrap to conform to conditions governing acquisition.*—A person acquiring scrap in accordane with the provisions of clause 18 shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition.

20. *Disoposal of Scrap.*—No person* or authority having the management of a controlled source shall sell or otherwise dispose of any scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

21. *Carriers, warehousesmen, and servants.*—For the purpose of clauses 18 and 20 any acquisition by or disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that scrap.

22. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of scrap, acquired by him otherwise than in accordance with the provisions of clause 18 to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

23. *Power to prohibit removal.*—The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

24. *Regulation of controlled sources.*—The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him :—

(*a*) to keep such books, accounts, and records relating to his business as the Controller may specify in the direction;

(*b*) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(*c*) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction;

(*d*) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. *Declarations, written orders and directions.*—(1) Declarations under clause 2(a) and directions under clause 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under clause 18 or clause 20 may be made by the Controller on application or of his own motion and shall be delivered to the person or authority concerned personnally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein.

4. When a written order is revoked by the Controller, the person or authority to whom it was addressed shall forthwith return it to the Controller

26. (1) The Controller may by order in writing direct any controlled source or scrap merchant or other person holding stocks of scrap to maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stocks of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notification.

27. *Controller's power to fix prices.*—(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India prices for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers' and sellers' prices and may include allowances for contributions to any Equalisation fund established by the Controller for equalising freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and, may, if no appropriate price has been so notified, fix such price as he considers appropriate.

Provided that the Controller may direct that the maximum prices fixed under sub-clauses (1) or (2) shall not apply to any specified stocks of scrap held by Railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of the Controller should be broken up before the scrap is disposed of, the Controller may direct the person or authority having the

management of the controlled source concerned to break up the scrap to a suitable size, and may, if his direction is not complied with, reduce the price of the scrap so as to cover the cost to the purchaser of breaking it up.

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

PART IV—GENERAL.

28. *Powers of the Controller.*—The Controller may, with a view to securing compliance with this Order :—

(*a*) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person ;

(*b*) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person ;

(*c*) enter and search, or authorise any person to enter and search, any premises and seize any article in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

29. *Savings.*—Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed as to be the order or appointment made, the licence or permit granted, the quota certificate or direction issued under this Order and shall continue to be in force.

THE SCHEDULE.

(*See* Clause 3)

Iron and Steel to which Part II applies.

Pig Iron.

Ingots, Blooms, Billets, Tin Bars, Sheet Bars, and Slabs.

Steel castings.

Heavy structurals (including heavy sections of joists, channels and ngles).

Light structurals (including light sections of joists, channels, angles, es and light rails of 30 lbs. and under).

Tyres, Wheels and Axles.

Shell steel Ingots, Blooms, Billets and Bars.

Heavy rails (over 30 lbs), Fishplates, Dogspikes, Chair spikes, Screw spikes.

Tinplate, Terneplate.

Black sheets (Plain and corrugated).

Galvanised sheets (Plain and corrugated)

Plates (Shipbuilding).

Plates (Ordinary mild steel and tensile).

Plates (Bullet-Proof).

Bars (including flats, squares, rounds, hexagons and rods)

Bolts (including Fish Bolts), Nuts and Rivets.

Black or Galvanised Wire, whether plain or barbed.

Wire Nails.

Wire (Miscellaneous).

Hoops and Strips.

Spring Steel in any unfabricated or semi-fabricated form.

Tool Steel in any unfabricated or semi-fabricated form.

Wrought Iron pressure pipes and tubes, steel pressure pipes and tubes.

Wrought Iron fittings, malleable iron fittings and steel fittings, coated uncoated, excluding electrical conduit pipes.

Cast Iron Pressure Pipes and Specials.

Wire Ropes.

[No. SC(A)-4(253).]

(Signed) M. R. MENON,
Under Secretary

By order and in the name of the Governor of Bombay

N. M. JANI,
Assistant Secretary to Government

REHABILITATION, HOUSING AND BACKWARD CLASSES DEPARTMENT.

Sachivalaya, Foreshore Road, Bombay-1, 4th June 1956.

No. CIS. 1056-G(i).—The following Order by the Government of India, Ministry of Commerce and Industry, is republished :—

S.R.O. 1109/ESS.COMM/Iron and Steel, dated New Delhi, the 8th May 1956.

Iron and Steel (Control) Order, 1956.

In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders

on the subject, the Central Government hereby makes the following Order :—

PART I—PRELIMINARY.

1. (1) This Order may be called the Iron and Steel (Control) Order, 1956.

(2) It extends to the whole of India, except the State of Jammu and Kashmir.

(3) It shall come into force with effect from the date on which this der is notified in the *Gazette of India*.

2. *Definitions*.—In this Order, unless the context otherwise requires :—

(*a*) "controlled source" means :—

(i) a producer,

(ii) a Railway Administration

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "Controlled Source."

(*b*) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time.

(*c*) "controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person exercising, upon authorisation by the Central Government, all or any of the powers of the Iron and Steel Controller.

(*d*) "factory" means a factory as defined in clause (*m*) of section 2 of the Factories Act, 1948 (LXIII of 1948), other than a factory managed by a producer or a Railway Administration.

(*e*) "local authority" shall have the meaning assigned to it by sub-section (28) of section 3 of the General Clauses Act, 1897 (X of 1897).

(*f*) "pressure pipes" includes all pipes and tubes of 1/8 in. nominal bore and above which will withstand or may be used for a working pressure of 25 lbs. per square inch and above.

(*g*) "producer" means a person carrying on the business of manufacturing iron or steel.

(*h*) "registered producer" means a producer who is registered as such by the Controller.

(*i*) "stockholder" means a person holding stocks of iron or steel for le who is registered as a stockholder by the Controller.

(*j*) "scrap" means all iron or steel material which is commonly known as scrap and includes defective iron or steel material whether it is suitable only for re-rolling or re-melting or can be used for other purposes.

Explanation.—A certificate signed by the Controller or any officer authorised by him in this behalf shall be conclusive proof that the material in respect of which the certificate is issued is "Scrap" for the purpose of this Order.

(*k*) "scrap merchant" means a person other than a producer (including a Registered Producer), who carries on the business of acquiring sorting and classifying scrap for disposal.

PART II—IRON AND STEEL—PRIME QUALITY.

3. (1) *Application of this Part.*—The provisions of this Part shall apply to all iron and steel of the categories specified in the Schedule to this Order :

Provided that the Provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said Schedule when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under clauses 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorised by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

4. *Acquisition.*—No person shall acquire or agree to acquire any iron or steel from a producer or stockholder except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller.

5. *Disposal.*—No person, who acquires iron or steel under Clause 4 or no producer shall dispose of or agree to dispose of or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general written order of the Controller.

6. *Carriers, warehousemen and servants.*—For the purposes of clauses 4 and 5 any acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such of any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. *Use of iron and steel to conform to conditions governing acquisition.*—A person acquiring iron or steel in accordance with the provisions of clause 4 shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition :

Provided that notwithstanding provisions of this Part or the conditions governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any person holding stocks of iron or steel either to release by way of loan or sell the whole or any part of the stock to such person or class of persons on such terms and conditions as may be specified in the order.

In the exercise of the powers conferred by the proviso, the Controller may have regard to the following matters, namely :—

(*a*) the requirements of the persons holding such stocks ;

(*b*) the requirements of the persons needing such stocks ;

(*c*) transport facilities available ; and

(*d*) any other factor including a strike or lock-out affecting production or fabrication.

8. *Surrender of revoked authorities.*—Where any quota certificate, permit or written order, referred to in clause 4 or 5 is revoked by the authority which issued it, the person to whom it was issued shall forthwith return it to the authority which issued it.

9. *Surrender of authorities at the time of acquisition.*—A person disposing of iron or steel in accordance with the provisions of clause 5 shall obtain from the person acquiring the steel the document which is the authority for the disposal and acquisition and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct

10. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of iron and steel, acquired by him otherwise than in accordance with the provisions of clause 4, to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

11. *Power to prohibit Removal.*—The Controller may order any producer (including a registered producer), any stockholder (including a controlled stockholder), or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller.

12. *Power to require keeping of accounts and to obtain information.*— (1) Every Producer and every stockholder and other person holding stocks of iron or steel shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder or person holding stock of iron or steel and every person employed in connection with the business of a producer or stockholder or person holding stocks of iron or steel, shall on being requested so to do, either by notice served on him or special or general direction issued by the Controller :—

(*a*) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction ;

(*b*) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

13. The Controller may, where he is satisfied that such action is necessary, in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorisations to acquire duly issued under this part :

(*a*) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the Schedule to this Order, otherwise than in accordance with any general or special directions issued by the Controller ;

(*b*) require, with effect from such date and with reference to such periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the Schedule to this Order ;

(*c*) require, with effect from such date as the Controller may specify any Producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with Programmes of production approved under sub-clause (*b*) of this clause or with special instructions issued by the Controller.

14. (1) The Controller may by order in writing direct any stockholder or other person holding stocks of iron or steel to maintain a list of the godowns and stock-yards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the official Gazette, direct that every producer, stockholder or other person holding stocks of iron or steel when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder, or other person holding stocks of iron and steel, shall, without sufficient cause, refuse to sell any iron or steel which he is authorised to sell under this Part.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purpose of this cause.

15. *Power to fix prices.*—(1) The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (*a*) by a producer, (*b*) by a stockholder including a controlled stockholder and (*c*) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any Equalisation Fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of allowances for contribution to any Equalisation Fund, within such period and in such manner as the Controller may direct in this behalf

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate price has been so notified, fix such price as he considers appropriate :

Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub-clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

16. *Power to control the creation of new productive capacity.*—No persons shall, except under the authority of, and in accordance with the conditions specified in, general or special order of the Controller :—

(*a*) erect, re-erect, construct or extend any buildings or works intended for production of iron or steel

(*b*) instal any plant or equipment, including any machine tools for the production of iron or steel.

17. *Power of Central Government to give directions.*—The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders, referred to in clauses 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this part.

PART III—DEFECTIVES AND SCRAP.

18. *Acquisition of Scrap.*—No producer shall acquire or agree to acquire any scrap except under the authority of and in accordance with the conditions contained or incorporated in a written Order of the Controller, and no person or authority other than a producer shall

acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. *Use of Scrap to conform to conditions governing acquisition.*—A person acquiring scrap in accordane with the provisions of clause 18 shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition.

20. *Disoposal of Scrap.*—No person or authority having the management of a controlled source shall sell or otherwise dispose of any scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

21. *Carriers, warehousesmen, and servants.*—For the purpose of clauses 18 and 20 any acquisition by or disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that scrap.

22. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of scrap, acquired by him otherwise than in accordance with the provisions of clause 18 to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

23. *Power to prohibit removal.*—The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

24. *Regulation of controlled sources.*—The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him :—

(*a*) to keep such books, accounts, and records relating to his business as the Controller may specify in the direction;

(*b*) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(*c*) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction;

(*d*) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. *Declarations, written orders and directions.*—(1) Declarations under clause 2(a) and directions under clause 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under clause 18 or clause 20 may be made by the Controller on application or of his own motion and shall be delivered to the person or authority concerned personnally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein.

4. When a written order is revoked by the Controller, the person or authority to whom it was addressed shall forthwith return it to the Controller.

26. (1) The Controller may by order in writing direct any controlled source or scrap merchant or other person holding stocks of scrap to maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stocks of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notification.

27. *Controller's power to fix prices.*—(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India prices for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers' and sellers' prices and may include allowances for contributions to any Equalisation fund established by the Controller for equalising freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and, may, if no appropriate price has been so notified, fix such price as he considers appropriate.

Provided that the Controller may direct that the maximum prices fixed under sub-clauses (1) or (2) shall not apply to any specified stocks of scrap held by Railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of the Controller should be broken up before the scrap is disposed of, the Controller may direct the person or authority having the

management of the controlled source concerned to break up the scrap to a suitable size, and may, if his direction is not complied with, reduce the price of the scrap so as to cover the cost to the purchaser of breaking it up.

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

PART IV—GENERAL.

28. *Powers of the Controller.*—The Controller may, with a view to securing compliance with this Order:—

(*a*) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person;

(*b*) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person;

(c) enter and search, or authorise any person to enter and search any premises and seize any article in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

29. *Savings.*—Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed as to be the order or appointment made, the licence or permit granted, the quota certificate or direction issued under this Order and shall continue to be in force.

THE SCHEDULE.

(*See* Clause 3)

Iron and Steel to which Part II applies.

Pig Iron.

Ingots, Blooms, Billets, Tin Bars, Sheet Bars, and Slabs

Steel castings.

Heavy structurals (including heavy sections of joists, channels and angles).

Light structurals (including light sections of joists, channels, angles, tees and light rails of 30 lbs. and under).

Tyres, Wheels and Axles.

Shell steel Ingots, Blooms, Billets and Bars.

Heavy rails (over 30 lbs), Fishplates, Dogspikes, Chair spikes, Screw spikes.

Tinplate, Terneplate,

Black sheets (Plain and corrugated).

Galvanised sheets (Plain and corrugated).

Plates (Shipbuilding).

Plates (Ordinary mild steel and tensile).

Plates (Bullet-Proof).

Bars (including flats, squares, rounds, hexagons and rods).

Bolts (including Fish Bolts), Nuts and Rivets.

Black or Galvanised Wire, whether plain or barbed.

Wire Nails.

Wire (Miscellaneous).

Hoops and Strips.

Spring Steel in any unfabricated or semi-fabricated form.

Tool Steel in any unfabricated or semi-fabricated form.

Wrought Iron pressure pipes and tubes, steel pressure pipes and tubes.

Wrought Iron fittings, malleable iron fittings and steel fittings, coated uncoated, excluding electrical conduit pipes.

Cast Iron Pressure Pipes and Specials

Wire Ropes

[No. SC(A)-4(253).

(Signed) M. R. MENON,
Under Secretary.

By order and in the name of the Governor of Bombay,

N. M. JANI,
Assistant Secretary to Government.

REHABILITATION, HOUSING AND BACKWARD CLASSES DEPARTMENT.

Sachivalaya, Foreshore Road, Bombay-1, 4th June 1956.

No. CIS. 1056-G(i).—The following Order by the Government of India, Ministry of Commerce and Industry, is republished :—

S.R.O. 1109/ESS.COMM/Iron and Steel, dated New Delhi, the 8th May 1956.

Iron and Steel (Control) Order, 1956.

In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders

n the subject, the Central Government hereby makes the following rder :—

PART I—PRELIMINARY.

1. (1) This Order may be called the Iron and Steel (Control) Order, 956.

(2) It extends to the whole of India, except the State of Jammu and ashmir.

(3) It shall come into force with effect from the date on which this rder is notified in the *Gazette of India*.

2. *Definitions.*—In this Order, unless the context otherwise requires :—

(*a*) "controlled source" means :—

(i) a producer,

(ii) a Railway Administration,

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "Controlled Source".

(*b*) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time.

(*c*) "controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person exercising, upon authorisation by the Central Government, all or any of the powers of the Iron and Steel Controller.

(*d*) "factory" means a factory as defined in clause (*m*) of section 2 of the Factories Act, 1948 (LXIII of 1948), other than a factory managed by a producer or a Railway Administration.

(*e*) "local authority" shall have the meaning assigned to it by sub-section (*28*) of section 3 of the General Clauses Act, 1897 (X of 1897).

(*f*) "pressure pipes" includes all pipes and tubes of 1/8 in. nominal bore and above which will withstand or may be used for a working pressure of 25 lbs. per square inch and above.

(*g*) "producer" means a person carrying on the business of manufacturing iron or steel.

(*h*) "registered producer" means a producer who is registered as such by the Controller

(*i*) "stockholder" means a person holding stocks of iron or steel for sale who is registered as a stockholder by the Controller.

(j) "scrap" means all iron or steel material which is commonly known as scrap and includes defective iron or steel material whether it is suitable only for re-rolling or re-melting or can be used for other purposes.

Explanation.—A certificate signed by the Controller or any officer authorised by him in this behalf shall be conclusive proof that the material in respect of which the certificate is issued is "Scrap" for the purpose of this Order.

(k) "scrap merchant" means a person other than a producer (including a Registered Producer), who carries on the business of acquiring, sorting and classifying scrap for disposal.

PART II—IRON AND STEEL—PRIME QUALITY.

3. (1) *Application of this Part.*—The provisions of this Part shall apply to all iron and steel of the categories specified in the Schedule to this Order :

Provided that the Provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said Schedule when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under clauses 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorised by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

4. *Acquisition.*—No person shall acquire or agree to acquire any iron or steel from a producer or stockholder except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller.

5. *Disposal.*—No person, who acquires iron or steel under Clause 4, or no producer shall dispose of or agree to dispose of or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general written order of the Controller.

6. *Carriers, warehousemen and servants.*—For the purposes of clauses 4 and 5 any acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such of any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. *Use of iron and steel to conform to conditions governing acquisition.*—A person acquiring iron or steel in accordance with the provisions of clause 4 shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition :

Provided that notwithstanding provisions of this Part or the conditions governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any person holding stocks of iron or steel either to release by way of loan or sell the whole or any part of the stock to such person or class of persons on such terms and conditions as may be specified in the order.

In the exercise of the powers conferred by the proviso, the Controller may have regard to the following matters, namely :—

(*a*) the requirements of the persons holding such stocks ;

(*b*) the requirements of the persons needing such stocks ;

(*c*) transport facilities available ; and

(*d*) any other factor including a strike or lock-out affecting production or fabrication.

8. *Surrender of revoked authorities.*—Where any quota certificate, permit or written order, referred to in clause 4 or 5 is revoked by the authority which issued it, the person to whom it was issued shall forthwith return it to the authority which issued it.

9. *Surrender of authorities at the time of acquisition.*—A person disposing of iron or steel in accordance with the provisions of clause 5 shall obtain from the person acquiring the steel the document which is the authority for the disposal and acquisition and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct.

10. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of iron and steel, acquired by him otherwise than in accordance with the provisions of clause 4, to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

11. *Power to prohibit Removal.*—The Controller may order any producer (including a registered producer), any stockholder (including a controlled stockholder) or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller

12. *Power to require keeping of accounts and to obtain information.*— (1) Every Producer and every stockholder and other person holding stocks of iron or steel shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder or person holding stock of iron or steel and every person employed in connection with the business of a producer or stockholder or person holding stocks of iron or steel, shall on being requested so to do, either by notice served on him or special or general direction issued by the Controller :—

(*a*) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction ;

(*b*) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

13. The Controller may, where he is satisfied that such action is necessary in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorisations to acquire duly issued under this part :

(*a*) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the Schedule to this Order, otherwise than in accordance with any general or special directions issued by the Controller ;

(*b*) require, with effect from such date and with reference to such periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the Schedule to this Order ;

(*c*) require, with effect from such date as the Controller may specify, any Producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with Programmes of production approved under sub-clause (*b*) of this clause or with special instructions issued by the Controller.

14. (1) The Controller may by order in writing direct any stockholder or other person holding stocks of iron or steel to maintain a list of the godowns and stock-yards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the official Gazette, direct that every producer, stockholder or other person holding stocks of iron or steel when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder, or other person holding stocks of iron and steel, shall, without sufficient cause, refuse to sell any iron or steel which he is authorised to sell under this Part.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purpose of this cause.

15. *Power to fix prices.*—(1) The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (*a*) by a producer, (*b*) by a stockholder including a controlled stockholder and (*c*) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any Equalisation Fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of allowances for contribution to any Equalisation Fund, within such period and in such manner as the Controller may direct in this behalf.

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate price has been so notified, fix such price as he considers appropriate :

Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub-clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

16. *Power to control the creation of new productive capacity.*—No persons shall, except under the authority of, and in accordance with the conditions specified in, general or special order of the Controller :—

(*a*) erect, re-erect, construct or extend any buildings or works intended for production of iron or steel ;

(*b*) instal any plant or equipment, including any machine tools for the production of iron or steel.

17. *Power of Central Government to give directions.*—The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders, referred to in clauses 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this part.

PART III—DEFECTIVES AND SCRAP.

18. *Acquisition of Scrap.*—No producer shall acquire or agree to acquire any scrap except under the authority of and in accordance with the conditions contained or incorporated in a written Order of the Controller, and no person or authority other than a producer shall

acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. *Use of Scrap to conform to conditions governing acquisition.*—A person acquiring scrap in accordane with the provisions of clause 18 shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition.

20. *Disoposal of Scrap.*—No person or authority having the management of a controlled source shall sell or otherwise dispose of any scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

21. *Carriers, warehousesmen, and servants.*—For the purpose of clauses 18 and 20 any acquisition by or disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that scrap.

22. *Power to direct sale.*—The Controller may, by a written order, require any person holding stock of scrap, acquired by him otherwise than in accordance with the provisions of clause 18 to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the Order.

23. *Power to prohibit removal.*—The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

24. *Regulation of controlled sources.*—The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him :—

(*a*) to keep such books, accounts, and records relating to his business as the Controller may specify in the direction;

(*b*) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(*c*) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction;

(*d*) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. *Declarations, written orders and directions.*—(1) Declarations under clause 2(a) and directions under clause 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under clause 18 or clause 20 may be made by the Controller on application or of his own motion and shall be delivered to the person or authority concerned personally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein.

4. When a written order is revoked by the Controller, the person or authority to whom it was addressed shall forthwith return it to the Controller.

26. (1) The Controller may by order in writing direct any controlled source or scrap merchant or other person holding stocks of scrap to maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stocks of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notification.

27. *Controller's power to fix prices.*—(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India prices for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers' and sellers' prices and may include allowances for contributions to any Equalisation fund established by the Controller for equalising freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and, may, if no appropriate price has been so notified, fix such price as he considers appropriate.

Provided that the Controller may direct that the maximum prices fixed under sub-clauses (1) or (2) shall not apply to any specified stocks of scrap held by Railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of the Controller should be broken up before the scrap is disposed of, the Controller may direct the person or authority having the

management of the controlled source concerned to break up the scrap to a suitable size, and may, if his direction is not complied with, reduce the price of the scrap so as to cover the cost to the purchaser of breaking it up.

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

PART IV—GENERAL.

28. *Powers of the Controller.*—The Controller may, with a view to securing compliance with this Order :—

(*a*) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person ;

(*b*) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person ;

(*c*) enter and search, or authorise any person to enter and search, any premises and seize any article in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

29. *Savings.*—Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed as to be the order or appointment made, the licence or permit granted, the quota certificate or direction issued under this Order and shall continue to be in force.

THE SCHEDULE.

(*See* Clause 3)

Iron and Steel to which Part II applies.

Pig Iron.

Ingots, Blooms, Billets, Tin Bars, Sheet Bars, and Slabs.

Steel castings.

Heavy structurals (including heavy sections of joists, channels and angles).

Light structurals (including light sections of joists, channels, angles, tees and light rails of 30 lbs. and under).

Tyres, Wheels and Axles.

Shell steel Ingots, Blooms, Billets and Bars.

Heavy rails (over 30 lbs), Fishplates, Dogspikes, Chair spikes, Screw spikes.

Tinplate, Terneplate.

Black sheets (Plain and corrugated).

Galvanised sheets (Plain and corrugated).

Plates (Shipbuilding).

Plates (Ordinary mild steel and tensile).

Plates (Bullet-Proof).

Bars (including flats, squares, rounds, hexagons and rods)

Bolts (including Fish Bolts), Nuts and Rivets.

Black or Galvanised Wire, whether plain or barbed.

Wire Nails.

Wire (Miscellaneous).

Hoops and Strips.

Spring Steel in any unfabricated or semi-fabricated form.

Tool Steel in any unfabricated or semi-fabricated form.

Wrought Iron pressure pipes and tubes, steel pressure pipes and tubes.

Wrought Iron fittings, malleable iron fittings and steel fittings, coated or uncoated, excluding electrical conduit pipes.

Cast Iron Pressure Pipes and Specials

Wire Ropes.

[No. SC(A)-4(253).]

(Signed) M. R. MENON,
Under Secretary.

By order and in the name of the Governor of Bombay,

N. M. JANI,
Assistant Secretary to Government.